

vivendi

May, 11th
2012



Communication on Progress 2011

United Nations Global Compact

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VIVENDI AT A GLANCE

Vivendi is at the core of the universe of content, platforms, and interactive networks

- Vivendi creates, publishes and distributes digital products and services. The Group relies on the strength of its inventors and designers, its engineers and its brands to offer to its customers digital content, platforms, and distribution networks of the highest quality. It controls the entire value chain, from production to publishing and distribution of content (video games, music, and audiovisual works).

Businesses panorama



No. 1 worldwide in video games

An independent publisher of online and console video games.



No. 1 worldwide in recorded music

Number one in most major countries, and the largest catalog of musical works.



No. 1 alternative telecoms operator in France

Europe's premier mobile and fixed-line alternative telecommunications operator.



No. 1 in telecoms in Morocco

The number one mobile and fixed-line telecommunications operator in Morocco, which also has a foothold in Burkina Faso, Gabon, Mauritania and Mali.



No. 1 alternative telecoms operator in Brazil

The best performing high-speed operator in Brazil offering fixed-line telephony, Internet, and Pay tv services and products.



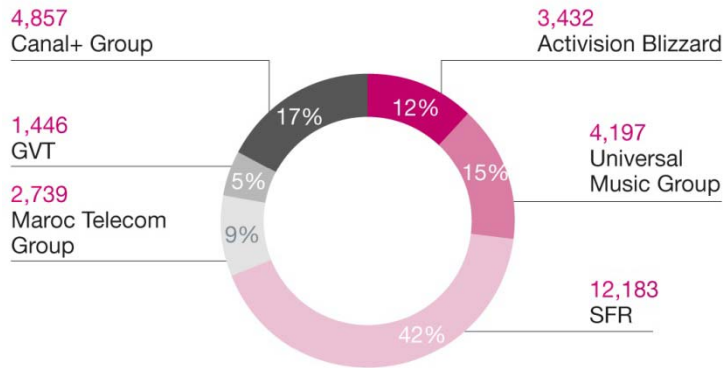
No. 1 in Pay tv in France

France's leading publisher of premium and theme channels, France's leader in aggregation and distribution of Pay tv offers, and Europe's largest producer and distributor of films..

Vivendi owns zaOza (a subscription-based sharing website), Digitick (France's leader in electronic ticketing), See Tickets (the number-two ticketing business in the UK), and Wengo (the French leader in expert phone counseling).

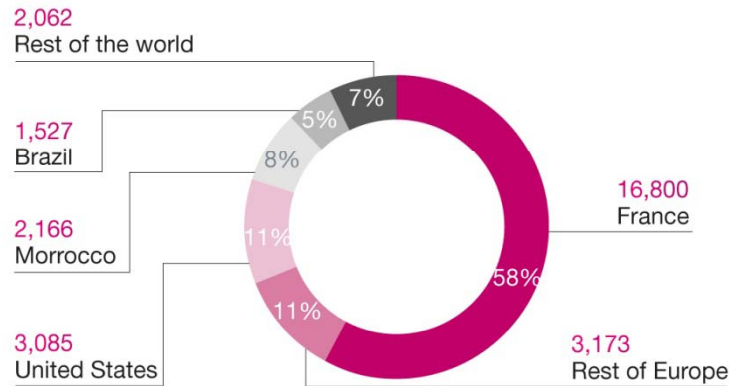
Key figures (12.31.2011)

Revenues* by business unit (in million of euros)



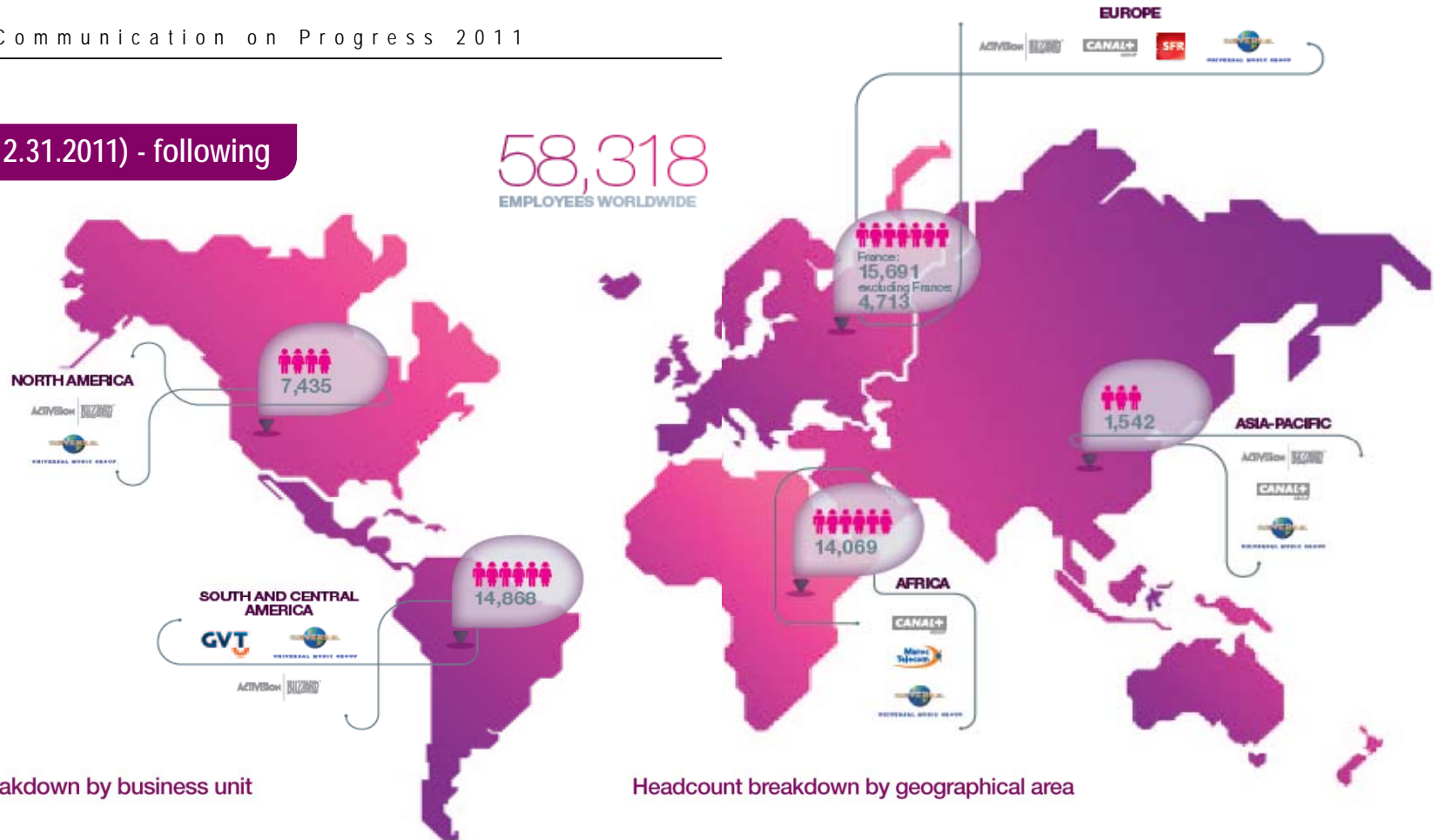
* Including non-strategic and other activities, and elimination of inter-segment operations.

Revenues by geographical area (in million of euros)

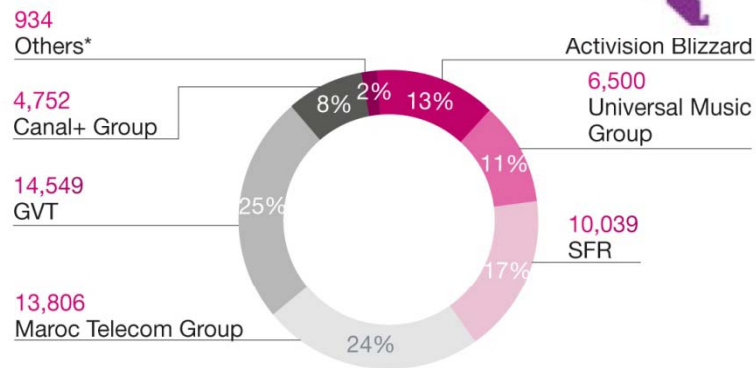


Key figures (12.31.2011) - following

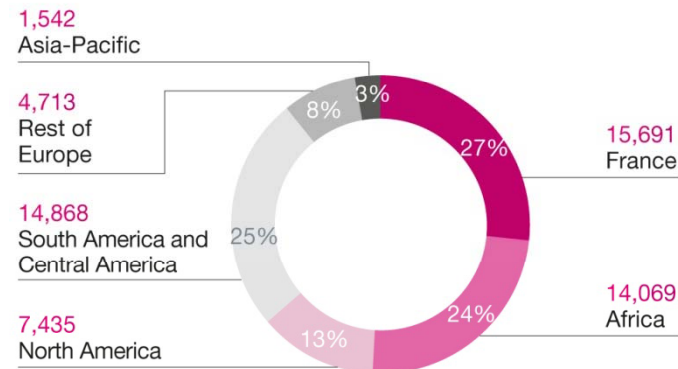
58,318
EMPLOYEES WORLDWIDE



Headcount breakdown by business unit



Headcount breakdown by geographical area



*Others : Vivendi Headquarters, Wengo, Vivendi Mobile Entertainment, Digitlick and See Tickets.

CEO'S STATEMENT

Vivendi is proud of being a signatory of the United Nations Global Compact. The present document, our « Communication on progress » for 2011, allows us to present and explain our commitment in favour of the United Nations Global Compact's ten principles. We demonstrate how the Group has fully integrated each of the four major issues – namely human rights, labour standards, environment and anti-corruption – within our strategy, our activities and our sustainable development policy.

Vivendi's contribution to sustainable development is a specific one: empowering present and future generations to satisfy their need to communicate, feed their curiosity, develop their talent and encourage intercultural dialogue.

Vivendi is committed to promoting human rights through its content production and distribution activities and through its services offer. The Group's business units play a major role in strengthening mutual understanding and social ties. By choosing to promote cultural diversity on the different continents where the Group operates, by investing massively in content and in networks, Vivendi's ambition is to encourage its customers to engage and participate in cultural life, facilitating their communication through information and communication technologies, and fostering a spirit of openness between peoples and generations.

Our three sustainable development specific issues defined as soon as 2003 (protection and empowerment of youth, promotion of cultural diversity, sharing knowledge) stem from human rights. They refer to international standards such as the United Nations Convention on the Rights of the Child of 1989, the UNESCO Universal Declaration on Cultural Diversity of 2001, or, of course, the Universal Declaration of Human Rights of 1948. Indeed, its article 27 declares that the right of everyone freely to participate in the cultural life of the community and to enjoy the arts.

I feel strongly that culture and intercultural dialogue must be recognized as pillars of sustainable development, and I commit myself to seeing that Vivendi contributes actively to promote them.

Paris, May, 11th 2012



Jean-Bernard Lévy, CEO

IMPLEMENTATION OF THE GLOBAL COMPACT'S TEN PRINCIPLES WITHIN VIVENDI IN 2011

Human Rights

1

Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence ;

- Vivendi contributes, within its sphere of influence, to promote human rights and ensure its employee's awareness on the topic.

→ Vivendi pursues an [active dialogue with its stakeholders](#) and regularly brings together employees and representatives of civil society to discuss the key topics of sustainable development and the promotion of human rights

- Vivendi must reconcile the development of content and service offerings enabled by new technologies with the protection of young audiences against harmful behaviors.

→ In 2003, Vivendi defined the [protection of youth](#) as one of its specific issues in sustainable development. The group evaluates the impact of its product and service offerings on young audiences in terms of opportunities or risks, and apprehends generational approaches of media and cultural practices.

- Vivendi shares the vision of UNESCO, whose March 2007 Convention on the Protection and Promotion of the Diversity of Cultural Expressions states that cultural diversity is *"a mainspring for the sustainable development for communities, peoples, and nations."*

→ In 2003, the group defined the [promotion of cultural diversity](#) as one of its specific issues in sustainable development and contributes to promoting the variety and diversity of its content in all forms of expression.

- Vivendi commits itself to support and participate in the sharing of knowledge and access to new technologies (8th Millennium Development Goal defined by United Nations).

→ In 2003, Vivendi defined the [sharing of knowledge](#) as one of its specific issues in sustainable development. The group contributes to producing pluralistic quality content for a large and diverse audience, and to facilitating access to this content and to new technologies.

2

and make sure that they are not complicit in human rights abuses.

- Vivendi is committed to support and to implement the fundamental principles of human rights and promotes them to its suppliers and providers.

→ Vivendi's [Compliance Program](#) formalizes the group's commitments, concerning human rights, on the form of rules of conduct. Adherence to these rules of conduct is a condition for belonging to Vivendi, and an annual progress report, based on these rules of conduct, is prepared by Vivendi's General Counsel's office and presented to the Audit Committee.

Examples to illustrate the implementation of Human rights' principles:

In 2011, Vivendi made changes to its **extra-financial reporting process**. Article 116 of the New Economic Regulations Act (NRE) of 2001 did not call for a specific societal chapter. Yet as early as 2007, Vivendi had organized the collection of **societal information** related to its three strategic issues (protection and empowerment of youth, promotion of cultural diversity, sharing of knowledge). France's "Grenelle II" Law specifies and strengthens the societal dimension of companies' extra-financial reporting. In order to comply with the Law, Vivendi has defined societal indicators directly related to its business activities and integrated its three strategic issues into the area of **"Actions undertaken in favor of human rights."**

Our specific issues stem from human rights



- The protection and empowerment of youth are set down in the United Nations Convention on the Rights of the Child of 1989 (Art. 17).
- The promotion of cultural diversity relates to the Universal Declaration of Human Rights of 1948 (Art. 27), the UNESCO Universal Declaration on Cultural Diversity of 2001 (Art. 5), and the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions of 2005 (Art. 2).
- Sharing knowledge contributes fully to the exercise of human rights as recalled in the Charter of Fundamental Rights of the European Union of 2000 (Art. 11) relating to freedom of expression and information and the United Nations Millennium Development Goals of 2000.

Area for action

Protection and empowerment of youth

- Promoting rules of professional ethics
- Raising the awareness of young people and parents
- Adapting parental control to the multimedia environment
- Empowering youth audiences in their media practices

Area for action

Promotion of cultural diversity

- Encouraging creation in all its diversity
- Promoting young and new talents
- Strengthening local cultural production capacities
- Promoting cultural heritage

Area for action

Sharing of knowledge

- Promoting pluralism of information and quality of content
- Encouraging intercultural dialogue
- Raising awareness about sustainable development
- Facilitating access to ICTs and content: Struggling against digital divides

Protection and empowerment of youth (1/2)



In 2011, the Chairman of Vivendi's Management Board was a founding member of the **CEO Coalition to make the Internet a better place for kids**, an initiative of Neelie Kroes (Vice President of the EU Commission in charge of digital strategy) aimed at making the Internet safer and better suited to children's needs. Perfectly in line with the sustainable development policy conducted by Vivendi, this initiative also enables the Group to share best practices with other companies in the same business areas.



CEO Coalition to make the Internet a better place for kids

©Vivendi

For the first time in 2011, one of the **Statutory Auditors** of Vivendi has **verified** the indicator integrated in the Group's societal reporting, relating to protection and empowerment of youth: "Existence of a formal commitment to professional ethics regarding content (production and/or distribution), part of which specifically concerns protection of young audiences."

Under the EU Commission's **Safer Internet** program, Vivendi spoke during the « Policy Shaping through Youth Participation » panel at the Safer Internet Forum held in Luxembourg in October 2011.



Moreover, Vivendi relays each year the awareness-raising campaign aimed at giving young Internet users a better understanding of the need to think carefully before posting texts, videos of photos exposing their private lives online ("Think Before You Post").



©Vivendi

Pan-Eu YOUTH
A PLACE FOR EXPRESSION FOR YOUNG EUROPEAN CITIZENS

Pan-Eu YOUTH Discussion Games

- Young people in the media
- Digital lives
- e-skills

★ An interactive discussion game for the classroom
★ Raising discussion on controversial issues ★ Easy to set up

Download the game for free at www.paneuyouth.eu

Playdecide by Playdecide is licensed under a Creative Commons Attribution-Share Alike 3.0 Unported License
Based on the game template at www.playdecide.eu

European Schoolnet playdecide insafe vivendi

Vivendi has continued its partnership with **European Schoolnet** and the **Insafe** network to launch the **Pan-EU Youth online platform**. This innovative program is aimed at giving young Europeans a space wherein they can express themselves and discuss citizenship topics. A group of ambassadors aged 14 to 19 was put together and consulted in preparation for a seminar devoted to young people and their digital life held by Vivendi in Paris (see p. 30). The ambassadors, from several countries (Bulgaria, Denmark, Ireland, Portugal, the Czech Republic and Slovakia), have been prepared to lead the debates, bringing together representatives from French and European institutional, academic, medical, and non-profit communities as well as industry representatives from Vivendi's subsidiaries.

©Vivendi

Protection and empowerment of youth (2/2)

Vivendi has pursued dialog with its stakeholders, by notably consulting *La Voix de l'Enfant* and the *Collectif interassociatif enfance et media* (CIEME) on the theme of responsible marketing.

Indeed the CIEME conducts an ongoing watch of media and content companies' societal responsibility through panels made up of parents of schoolchildren.

Vivendi also engages in reflection with researchers at the Sorbonne nouvelle university and the French National Commission for UNESCO on the implementation of awareness-raising actions aimed at educating young people about the media and the news.

Activision Blizzard promotes **age and content rating systems**. The group adheres to PEGI (Pan European Game Information) and PEGI online codes in Europe, and ESRB (Entertainment Software Rating Board) advertising guidelines in the United States. Pursuant to these rating systems, Activision Blizzard displays the age group for which a particular product is intended on its product packaging and advertising, respects applicable advertising guidelines and PEGI online privacy principles.



Rating frameworks for video games PEGI and ESRB
 PEGI / top row, from left to right: 3 and over, 7 and over, 12 and over, 16 and over, 18 and over;
 bottom, from left to right, discrimination, frightening images, drugs, online game,
 gambling, nudity or sex, explicit language, violence
 ESRB / from left to right : adult only 18+, early childhood, everyone 10+, everyone, mature 17+, teen.



©Sampaio, Cuca Studio

GVT has an **educational website** for children, parents and teachers dedicated to responsible Internet use, (<http://www.internetresponsavel.com.br>). It features videos, reports and links to other sites to help children, parents and teachers use the Internet in a safe and ethic way.

In December 2011, GVT launched a new version of the **Guide to Responsible Internet Use** plus ten original new comic strips and articles covering safe, responsible ways to use the Internet. For the first time, the guide includes a mobile version for tablet computers and smartphones with free download.

These publications are the result of an initiative begun in 2008 in partnership with the Committee for Democracy in Information Technology (CDI), a NGO that has broken new ground in digital integration for Latin America that has also the support of Safernet, a NGO focused on cyber crimes combat and defence of Human Rights in the Internet.



©Sampaio, Cuca Studio

SFR has improved **parental control on mobile** to give young people a complete solution for filtering Web traffic. Formerly limited to the services accessible from the operator's portal and Gallery, Internet access is now possible and secure. SFR has also implemented the first mobile portal for the youngest users, Portail Junior, which offers enriched content that is vetted and adapted to their interests and reporting of inappropriate sites.



©SFR

Promotion of cultural diversity



On the occasion of **World Day for Cultural Diversity for Dialogue and Development** on May 21, 2012, Vivendi inaugurated an institutional website entitled « **Culture(s) with Vivendi: A journey through cultural diversity** ».

This site is intended mainly for Internet users ages 15 to 30 and is aimed at promoting cultural diversity and dialogue between cultures and building a bridge between young people and the culture industries.

It comprises three parts, which correspond to specific goals:

- « **Artist inspiration** » is intended to facilitate young audiences' access to a variety of music and film repertoires they are sometimes unfamiliar with;
- « **Creative jobs** » is aimed at encouraging young people to get involved in the culture industries and better understand the different career areas our business units are involved in (cinema, music, video games);
- « **Intercultural dialogue** » is an invitation to get to know different cultures better and understand how the digital universe serves as an effective bridge for exchange, joy and discovery.

With a view towards including **culture in the worldwide sustainable development agenda**, Vivendi gain brought together a working group that includes representatives of the UN, Unesco, OECD, ALECSO and the EU Commission. The goal is to better integrate culture into the assessment of well-being and economic and social progress. Also, as an expert designated by the French National Commission for UNESCO, Vivendi took part in the work devoted to the theme "Cultural and Digital Diversity."

2nd edition of the *Activision Independent Games Competition*, intended to **encourage independent creators and studios.**

In 2011, more than **60%** of Universal Music Group's sales are by **local artists** within a scope of 59 countries.



Five **Gramophone Awards**, the Oscars of classical music, awarded to artists signed by Decca Classics and Deutsche Grammophon labels in October 2011.

In France, Canal+ participates actively to **support creation** by financing of **57%** of the French-initiative films approved by the CNC (French national center for cinema and animated image), or 118 films out of 207. Canal+ also financed **30 first French-initiative films** approved by the CNC (41.1% of the French-initiative films). The channel invested **€ 29 million** in films with budgets of under €4 million.

STUDIOCANAL

Studiocanal, European studio and subsidiary of Canal+ Group, has participated in **13 French and foreign co-productions.**

Canal+ Africa supports numerous African cinematographic productions. Thus, in 2011, **5 projects** were co-financed.

Cinematographic diversity is one of the pillars of the editorial line of the channel Canal+, **92%** of subscribers affirm that genres of films aired are varied and **89%** declared to be satisfied by the cinema offer at the end of 2011.

In 2011, Vivendi continued its professional training program for sound engineers in Mali, launched in 2006 in partnership with UNESCO. The training is organized at the studio Le Moffou, run by Malian author-composer and performer Salif Keita. With this support, Vivendi thus contributes to consolidating **professional cultural skills** in Mali. Vivendi also supports training for students at the *Institut spécialisé dans les métiers du cinéma* (Film Professions Institute – ISMC) in Ouargazate. Vivendi is the official founding partner of the *Rencontres internationales du cinéma sous la tente* held every year since 2010.

Partage des connaissances

The United Nations invited Vivendi to the fourth **Alliance of Civilizations Forum** held between December 11 and 13, 2011 in Doha (Qatar).

During the plenary session devoted to the theme "New Strategies for Intercultural Dialogue, Understanding and Cooperation," Vivendi explained how promoting **cultural diversity and intercultural dialogue** are strategic issues in its sustainable development policy and accompany the Group's business challenge – to innovate continuously in order to continue to satisfy its tens of millions of clients on all continents in the era of the digital revolution.



The Call of Duty Endowment was company created by Activision Blizzard in 2009 to help soldiers transition to civilian careers after their military service. In 2011, Activision Publishing donated \$3 million to the Call of Duty Endowment in an effort to ensure that U.S. military heroes have stable employment upon their return from active duty.



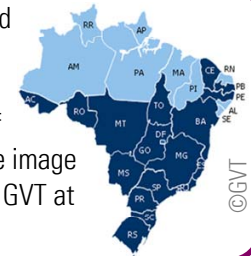
Vivendi relayed the information of the anniversary of the Universal Declaration of Human Rights on its institutional website, **on December 10th, 2011, the Human Rights Day.**

By a **committed documentary offer** (*Makay, les aventuriers d'un monde perdu; Paris Clichy / Paris clichés ; Familles no carbone...*), the channel Canal+ raises its subscribers' awareness about sustainable development issues, nourishing their critical thinking.

Since April 2011, Canal+'s customer space has been accessible to deaf and hearing-impaired persons

SFR and Emmaüs Défi continued their **mobile-telephony solidarity program** for persons in a precarious situation.

In 2011, GVT has extended its coverage to **22 additional cities**, and now operates in a total of 119 cities in Brazil. On the image opposite, the presence of GVT at 12.31.2012.



The Maroc Telecom group participates actively in **reducing the digital divide** in the countries where it is present. Thus, it covered 1,707 additional rural localities in 2011. Moreover, the installation of an international submarine fiber-optic cable between Morocco and Spain has been launched in 2012. The objective is to strengthen the security of Internet traffic. In Morocco, the operator devoted **19.5%** of its network investments **to reducing the digital divide**



Vivendi and the United Nations Alliance of Civilizations share the ambition of making the promotion of cultural diversity and **intercultural dialogue** part of the worldwide sustainable development agenda. Vivendi presented its strategic orientations in the area of sustainable development to some 15 young leaders from the Middle East and the Maghreb who came to Paris in September 2011 as part of the United Nations Alliance of Civilizations Fellowship program.



Program's goal is to build ties between young professionals from the Middle East, the Maghreb, Europe and the Americas by organizing encounters with economic, cultural and institutional actors in these different regions of the world.

Labour standards	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> Vivendi works to establish a constructive dialogue between management and the competent bodies representing employees which respect their prerogatives. 	→ Vivendi leads a process of dialogue and consultation with the social unions in order to encourage collaboration and communication within the group.
	4	the elimination of all forms of forced and compulsory labour;	<ul style="list-style-type: none"> Vivendi supports and implements the fundamental principles of labour rights and promotes them to its suppliers and providers. 	→ The respect of individual dignity and private life, within employment conditions, is a clearly defined rule of conduct set down in Vivendi's Compliance Program .
	5	the effective abolition of child labour; and		
6	the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> Vivendi affirms and asserts its attachment to diversity in recruitment and its fight against discrimination, which it holds to be guarantees of richness and performance. 	→ The fight against discrimination based on unlawful selection criteria such as sex, age, lifestyle, race, ethnicity, nationality, disability, religious or political opinions or beliefs, or union membership is a clearly defined rule of conduct set down in Vivendi's Compliance Program .	

Examples to illustrate the implementation of Labour standards' principles:

Throughout 2011, **the corporate partners** of the Group Works Council, the European Authority for Dialog between Management and Labor and the headquarters' Works Council were regularly updated as to the Group's strategy, financial position, social policy, and main achievements for the fiscal year. The annual two-day training course covered Group strategy in the telecoms industry and knowledge of the various Vivendi business lines and attendees were also introduced to the Audit Committee and Risk Committee. 2011 ended with a mutual agreement to adapt the Group's employee representative bodies to an **international environment** (Morocco, Brazil and the USA). Accordingly, European employee representatives and management have begun negotiations with a view to uniting the entire Group around a common set of corporate and societal goals.

In 2011, **100** collective agreements were signed within the Group. the number of agreements concerning remunerations remain significant (65%). This is due mainly to the annual negotiations at GVT. The others agreement of addendum registered in 2011: workplace gender equality, optional and statutory profit sharing, group retirement savings plan, electronic voting, establishment of a time bank, telecommuting, and social dialog.

Vivendi has implemented employees' rights among the code of conduct set out within the [Compliance Program](#):

*"Ethical business practice is one of Vivendi's fundamental values. Acting with probity, complying with the law, **respecting the dignity and individual rights of employees**, protecting confidentiality, placing business ethics above the search for economic performance, protecting the Group's property and resources: these are all principles which must guide the professional conduct of employees to ensure the Group's business is conducted ethically and legally. (...)*

*The essential principles which form Vivendi's employment policy — in the context of a constructive dialogue between management and the competent bodies representing employees which respect their prerogatives — are to ensure the **safety** of its employees wherever they may be, **to respect their employment rights**, to give each of them recruitment, employment and promotion prospects based on their abilities and sense of responsibility, and to maintain employment conditions which respect their individual dignity and private life."*

At 12.31.2011, **10%** of the Group's employees were under 25 years old, **86%** were aged 25 to 55, **4%** were older than 55 ans.

Extract from [Averroes Report 2011](#) :
« Canal + has often been at the forefront of audiovisual innovation. It is today in 2011, the channel is **on the cutting edge of diversity**. »

Apprenticeships are essential for young employees and provide advantages for businesses, allowing them to diversify their sources of recruitment. In 2011, Vivendi has continued the commitment, employing **606** work-study contracts in France in 2011, compared to 669 in 2010 (on a like-for-like basis).

Employee share ownership and savings increased in 2011, as a result of the contributions made by the Group's French companies under various participatory compensation plans (including statutory profit sharing, optional profit sharing and employer's contribution). A significant portion of these employee savings continued to be allocated to employee shareholdings.

The annual share capital for the benefit of the Group's employees through the PEG was successfully completed. For the fourth year consecutive year, the capital increase involved the simultaneous launch of a customary employee offering (in France) and a French and international leveraged plan which included an investment and minimum return guarantee, called « Opus 11 ». The objective of this program, with leveraged share capital with an investment and minimum return guarantee, is to allow the employees in the main countries where the Group is based to benefit without risk of the advantages of employee share. The Opus 11 program has been a great success.

Upon completion of the transaction, the portion of Vivendi's **share capital** held by its employees was **2.68%**.

100% of the employees based in metropolitan France and in the overseas departments (30% of the global headcount) are covered by collective agreements. Are also covered by **collective agreements** at global level:

- 91.1% of the employees of the Maroc Telecom group
- 100% of the employees of the Groupe Canal+ (including Canal+ Overseas)
- 100% of the employees of GVT (Brazil).

Situation of gender equity within the Group, on December, 31st 2011:

- The employment rate of women in the Group is **34%** with on the extreme 21% for Activision Blizzard, 24% for Maroc Telecom and 55% at Vivendi's headquarters;
- The part of women in managerial positions is **35%**, in line with their employment rate, with a smaller part for Activision Blizzard (26%) and Maroc Telecom (28%) and a bigger part for Canal+ Vivendi's headquarters (47% et 48%). These percentages are placing Vivendi 13th among the CAC 40 companies according to a classification realized by Challenges in October 2011;
- The part of women in the Supervisory board is **33%** with four women and places Vivendi 5th among CAC 40 companies (according to the same classification).

Focus / Human Rights & Labour Standards / Suppliers

Aera of action

Vigilance towards suppliers

- Promoting our standards and guidelines
 - Ensure that the Compliance Program is implemented
 - Enforce the commitments of the United Nations Global Compact
 - Include the sustainable development clause in supplier contracts
- Implementing monitoring instruments
 - Feed back information relating to subcontractors and suppliers
 - Conduct audits of suppliers
 - Conduct evaluations
- Contributing to raising subsidiaries' awareness of the suppliers issue
 - Implement training in supplier management
 - Develop risk mapping

In 2011, Vivendi included four indicators relating to subcontracting and suppliers in its **extra-financial reporting protocol**: the existence of a commitment relating to the integration of sustainable development issues; mechanisms for monitoring that commitment; the percentage of the top 25 suppliers who are signatories of or comply with national or international guidelines; and the evaluation of adherence to the Group's commitments.

For the first time, one of the Statutory Auditors of Vivendi has verified the first of these indicators about taking the social and environmental issues into consideration in the purchasing policy: "existence of a formal commitment regarding inclusion of sustainable development issues."



When issuing tender calls, Canal+ evaluates equipment suppliers, among others, on the basis of quality certifications and elements of their sustainable development policy.

Activision Blizzard conducted **three audits** in plants located in China covering several aspects including adherence to labor legislation, the conditions under which products are manufactured, and application of anti-corruption regulations.



In 2010 Vivendi's Internal Audit Department began a review of suppliers on the occasion of the audit conducted at Bravado, the Universal Music Group subsidiary in charge of merchandising activities. The review continued in 2011 within the Bravado entity in Germany.



SFR **audited** the CSR (corporate social responsibility)

approaches of **two** of its suppliers (of mobiles and SFR boxes) in China. SFR also evaluated **50 suppliers** on several criteria in its sustainable development policy: environment, social, ethics, and purchasing. The evaluation was followed by the implementation of corrective action plans.



Since 2010, Maroc Telecom has annexed a reminder of the obligation to adhere to the Moroccan Labor Code to all contracts with suppliers and subcontractors.

Within its Purchasing Department, GVT has created a *Suppliers Development* Department dedicated to improving the performance of the supply chain and promoting GVT's commitments to responsible purchasing. The first stage of the process put in place calls for regular evaluation of suppliers on criteria regarding quality, logistics, environment, social matters, etc. In July 2011, as the other Group's subsidiaries, GVT integrated a clause related to the ten principles of the United Nations Global Compact.



Environment
7
8
9

Businesses should support a precautionary approach to environmental challenges;

undertake initiatives to promote greater environmental responsibility; and

encourage the development and diffusion of environmental friendly technologies.

- Vivendi defends environmental awareness and takes full responsibility in this domain, while it operates in business sectors where exposure to environmental risks is relatively low.

→ [Environmental awareness](#) is a clearly defined rule of conduct set down in Vivendi's [Compliance Program](#). In 2000, the company put in place a Program of compliance with environmental, health and workplace safety standards, as well as an Environmental Charter.

Examples to illustrate the implementation of Environment's principles:

The seventh rule of the Compliance Program defines the commitment of Vivendi towards environment:
*" Vivendi undertakes to promote the **respect of the environment** in all its activities. It is up to each Group employee to contribute, within the scope of his or her duty, to the Group effort to protect the environment:
 - by becoming familiar and complying with laws and regulations, instructions and procedures set out by its company;
 - by immediately reporting, to the attention of the persons responsible for managing such situations, any non compliance with regulation, risk situation or incidents which he or she is aware of."*

The process for **reporting** environmental data was revised in order to take into account the changes in the regulatory framework provided for in the so-called "Grenelle II" Law.

Three areas for improvement were defined:

- rebuilding a **network of coordinators** in charge of collecting environmental information in each business unit,
- **revising the indicators** in order to retain the most pertinent ones and those most appropriate to the Group's business activities, and
- improving the functionalities of the computerized **reporting system** to facilitate analysis of these data.



Vivendi's head office, registered with **EMAS** since 2009, confirmed the certification of its Environmental Management System following the audit conducted in 2011.

For the sixth consecutive year, SFR obtained **ISO 14001 certification** of its Environmental Management System. The scope of the certification was extended to **the eco-design** of the neufbox Evolution set-top box and to **14 new sites** in the fixed network and one mixed site (tertiary and point of sale) on Reunion Island.



The **Energy Star** certification issued for the 5th year consecutively by the United States Environmental Protection Agency (EPA) at UMG headquarters in Santa Monica certified that the building obtained a rating greater than 75 (out of 100) in terms of energy savings.

SFR continues its efforts in the area of eco-design of SIM cards. 2011 saw the generalization of "EcoSIM" cards, whose size has been reduced by half compared to a standard SIM card, to all its customers and the launch of the first French pilot with paper SIM half-cards, which enable a nearly 30% reduction of the carbon footprint compared to a standard-format plastic SIM card. Since November 2011, **10,000 paper SIM cards** have been gradually put in circulation and sent to SFR customers (when renewing or opening a line).

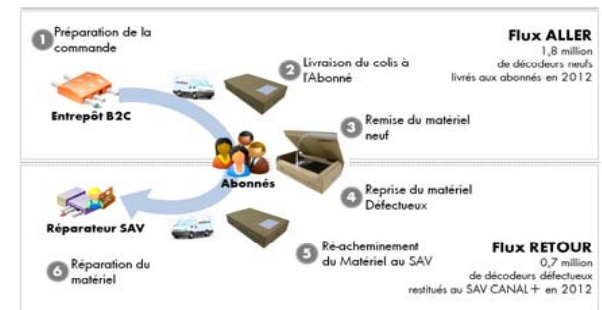


Maroc Telecom makes increasing use of solar energy to supply its network in unelectrified areas. Several fiber-optic cable installations linking Agadir and Dakhla installed in 2010 are supplied with solar workshops. Solar energy accounts for **18%** of the energy supply to the relay antennas installed under the PACTE program, in particular in southern Morocco. As of end 2011, **505 Maroc Telecom technical sites** were powered by solar energy: 138 Hertzian relays, 166 GSM sites, 180 AMRT sites and 21 CDMA sites; this amounts to an increase of 13% over 2010. The use of solar is becoming more and more widespread in the subsidiaries, in particular for covering **rural areas**. The Sotelma network, in Mali, has 1,222 sites powered by solar energy. In Burkina Faso, Onatel uses solar energy to power 378 telecommunications facilities and systems deployed in its fixed and mobile networks. 22 Mauritel sites in Mauritania were supplied with solar energy in 2011, bringing the total number of sites supplied with solar energy at end 2011 to 42. And in Gabon, 150 Gabon Telecom sites use solar energy.

In October 2011, the company launched an internal *Impressão Consciente* (Responsible printing) campaign. On sites implementing this initiative, the volume of printed documents has decreased by **23%**.

A meeting of Vivendi's Sustainable Development Committee was devoted to theme "**Health Impacts of Radiofrequencies.**" It brought together the correspondents of the Group's three telecommunications operators and an expert from the ANSES (national agency for food safety, environment and work). The meeting brought participants up to date on the studies and research in progress and on the measures put in place within the Group.

The **Écopack+** implemented by Canal+ enables delivery and take-back of set-top boxes to and from subscribers while generating improvements at the **environmental level** (100% recyclable packaging, eco-packaging declaration), but also gains in **productivity** (30% gain in productivity, 27% fewer packages per pallet), **costs** (a 17% reduction in total cost in 2011) and **customer satisfaction** (99% of deliveries within 48 hours, quality visuals).



Anti-Corruption
10

Businesses should work against corruption in all its forms, including extortion and bribery.

- Vivendi works against corruption in all its forms, including extortion and bribery, and makes sure this principle is respected by all its suppliers and providers in all of the groups operating countries.

→ The fight against corruption and the receipt from or grant to any third party of an improper advantage of any kind for the purpose of obtaining preferential treatment is a clearly defined rule of conduct set down in Vivendi's [Compliance Program](#).

Examples to illustrate the implementation of Anti-corruption's principles:

The rules of conduct set down in the Compliance program cover employees' rights, fairness and protection of information, **prevention of conflicts of interest, commercial ethics**, the protection of property and resources belonging to the group, financial ethics, and respect for the environment.

The purpose of the program is to instill a sense of responsibility in employees and provide them with guidelines in the form of points of reference that can aid them in shaping their conduct. These general rules are shared and disseminated downstream, in each operational unit, everywhere the Group is present, in order to take into account the specificities of the subsidiaries' business activities and the particularities of local legislation. The principal entities have implemented an additional Code of Ethics specifically applicable to their activities.

The person in charge of the Compliance Program for the Group and the specific "compliance officers" in each operational unit are responsible for its implementation. At the start of each year, the Group's subsidiaries send Vivendi a report on the actions conducted during the preceding business year. This report is presented by the General Counsel to the Audit Committee, which approves it, to the Supervisory Board, and to the Management Board; it is then sent to the compliance officers in the subsidiaries.

In May 2011, the General Counsel and Vivendi's Communication and Sustainable Development department organized an **informational session** devoted to the struggle against corruption. Sixty employees of the Head Office attended the training, during which many points were made clearer using concrete examples of conflicts of interests, corruption or fraud.

The entry into force of the **UK Bribery Act** on July 1st, 2011 was on the agenda of this informational session. This British legislation is among the strictest instruments in the struggle against corruption. It creates a new source of criminal liability for any legal person doing business in the UK: failure to adhere to the obligation to prevent corruption.

The struggle against corruption is one of the themes of Maroc Telecom's Code of Ethics. This document reaffirms the Group's commitment to **fighting corruption** in all its forms (active, passive, direct and indirect). In particular it requires adherence to anti-corruption legislation, as well as enhanced vigilance in relations with third parties. Each employee must conduct fair and honest relations with customers and with suppliers, in strict adherence to the contracts entered into and the applicable laws and regulations.



The approach taken by Maroc Telecom was hailed by the Vigeo rating agency, which awarded the operator its **Top Performer RSE 2011 trophy** in the areas of business ethics and societal commitment, noting in particular its assertive policy against corruption.

Nicole Notat (at left), Chairwoman of Vigeo, presents the Top CSR Performer 2011 trophy to Abdeslam Ahizoune, Chairman of the Management Board of Maroc Telecom (at right). © Maroc Telecom photo library

New senior executives of Activision Blizzard, particularly those who are located in, or have responsibility for the Company's expanding business in, **Asia**, receive in-person training on anti-corruption and anti-bribery matters. In early 2011, in connection with the Company's ongoing expansion into China and other parts of Asia, the Internal Audit and Legal Departments funded the staffing of full-time resources in Asia to perform internal audit functions and conduct ongoing monitoring in the **anti-corruption area**.

In 2011, Activision Blizzard updated its anti-corruption policy in order to take into account the new provisions of the **UK Bribery Act**. Activision Blizzard plans to distribute the updated policy to all employees in 2012.

Activision Blizzard and Universal Music have a **hotline number** available 24/24h, 7/7d on world-wide basis that employees can call to report suspected fraud, bribery or other violations of the Code. Employees may choose to identify themselves or remain anonymous.

In addition to a similar procedure for whistle blowing (as described above), GVT's employees have an ombudsman (**a mediator**) to receive reports on ethical or legal violations, provide guidance and deal with conflicts of interest.

In the context of its multi-year **training** program in the ethics code, SFR gave special emphasis in 2011 to the strict rules inherent in the prohibition of any act whose purpose or effect is corruption of an authority or of any person having direct or indirect decision-making power in the context of the operator's commercial relations.

To this end, the entire SFR Business Team sales force (the operator's enterprise division), including those involved in public procurement, was trained.

GVT's new **Code of Conduct**, revised in 2011, reinforced the rules to be followed by all employees regarding their relationships with suppliers. According to the Code of Conduct, suppliers should act in an appropriate and consistent manner with GVT's values, in compliance with Labor, Tax and Environmental Law (among others); refrain from committing fraud, smuggling, bribing, **corrupting**; and abide by any other principle that GVT considers essential for the relationship. Suppliers proven to be in contravention to these commitments will be subject to termination for breach and all other **penalties** under the law and the contract. Audit processes on suppliers' compliance will be implemented in 2012.

Suppliers were only supposed to be compliant with Brazilian Law in general, covering the main responsibility issues. But from July, 2011 on the **Global Compact Clause** with its 10 principles have been expressly included in new contracts with suppliers and subcontractors.

Appendix

VIVENDI'S COMPLIANCE PROGRAM

[Available on Vivendi's corporate website](#)



- 1** Employees' rights
- 2** Truth and the protection of information
- 3** Prevention of conflicts of interest
- 4** Commercial ethics |
- 5** Use of property and resources belonging to the Group
- 6** Financial ethics
- 7** Respecting the environment